CITY PLANNING COMMISSION CITY OF NEW ORLEANS

LATOYA CANTRELL MAYOR ROBERT D. RIVERS EXECUTIVE DIRECTOR

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City Planning Commission Staff Report

Executive Summary

Zoning Docket 086/18

Applicant: City Council Motion No. M-18-195

Request:

This is a request for a text amendment to Article 19 of the Comprehensive Zoning Ordinance to establish a new interim zoning district (IZD) to be named the Short Term Rental Interim Zoning District, the intent of which is to prohibit certain uses for all lots that are located within the Historic Core and Historic Urban zoning districts, both residential and non-residential, the Central Business District zoning districts, the MU-1 Medium Intensity Mixed-Use zoning district, and the MU-2 High Intensity Mixed-Use zoning district, as indicated on the official zoning maps of the City. The Interim Zoning District is to prohibit any issuance or renewal of a Temporary Short Term Rental permit or license and any issuance of a Commercial Short Term Rental permit or license for STR-use on the first floor of a multi-story building that can or may contain residential uses on subsequent floors.

Location:

The proposed interim zoning district would apply to all lots that are located within the Historic Core and Historic Urban zoning districts, both residential and non-residential, the Central Business District zoning districts, the MU-1 Medium Intensity Mixed-Use zoning district, and the MU-2 High Intensity Mixed-Use zoning district, as indicated on the official zoning maps of the City.

Summary of Proposal:

Zoning Docket 086/18 is a request to establish a new interim zoning district (IZD) to be named the *Short Term Rental Interim Zoning District*. The IZD would apply to those areas within the Historic Core and Historic Urban zoning districts, both residential and non-residential, the Central Business District zoning districts, the MU-1 Medium Intensity Mixed-Use zoning district, and the MU-2 High Intensity Mixed-Use zoning district, as indicated on the official zoning maps of the City. The proposed IZD is intended to temporarily prohibit the issuance or renewal of Temporary Short Term Rental licenses and any issuance of a Commercial Short Term Rental licenses for STR-use on the first floor of a multi-story building with residential uses above the ground-floor. The IZD would be temporarily imposed while the City Planning Commission reviews the existing short term rental

regulations to determine if amendments to existing laws are warranted or necessary, and if existing regulations should be modified to reduce any unintended secondary effects of short term rentals relative to the residential fabric of the City.

The purpose of interim zoning districts is to impose temporary probations pending a review of those regulations. In this case, issuance of some Temporary and Commercial Short Term Rentals would be prohibited while CPC studies and suggests modifications to the short term rental regulations. The staff believes the proposed Interim Zoning District achieves this intent. The staff does recommend some modifications to the proposed IZD text to include appeal application submittal requirements and to clarify the applicability of the limitations on uses for Commercial Short Term Rentals. The staff finds that subject to these modifications, the request meets the approval standards of **Article 4**, **Section 4.2.E Approval Standards** for text amendments and supports the request.

Master Plan:

The IZD is consistent with the Master Plan.

Recommendation:

The staff recommends **MODIFED APPROVAL** of Zoning Docket 086/18.

Reasons for Recommendation:

- 1. The request would temporarily prohibit issuance and/or renewal of some short term rentals in certain locations while the City Planning Commission studies and recommends modifications to the existing short term rental regulations.
- 2. The request is consistent with the intent of Interim Zoning District regulations and meets the text amendment approval standards in **Article 4**, **Section 4.2.E** of the CZO.

CPC Deadline: 09/08/18

CC Deadline: 60 days from receipt

City Council District: All

PRELIMINARY STAFF REPORT

Zoning Docket: 086/18

To: City Planning Commission

From: Robert Rivers, Executive Director Stephen Kroll, Planning Administrator

Prepared by: Brooke Perry and Nicholas Kindel

Date: July 3, 2018

I. GENERAL INFORMATION

Applicant: City Council Motion No. M-18-195

Request: This is a request for a text amendment to Article 19 of the Comprehensive Zoning

Ordinance to establish a new interim zoning district (IZD) to be named the Short Term Rental Interim Zoning District, the intent of which is to prohibit certain uses for all lots that are located within the Historic Core and Historic Urban zoning districts, both residential and non-residential, the Central Business District zoning districts, the MU-1 Medium Intensity Mixed-Use zoning district, and the MU-2 High Intensity Mixed-Use zoning district, as indicated on the official zoning maps of the City. The interim zoning district is to prohibit any issuance or renewal of a Temporary Short Term Rental permit or license and any issuance of a Commercial Short Term Rental permit or license for STR-use on the first floor of a multi-story building that can or may contain residential uses on subsequent floors.

building that can of may contain residential uses on subsequent moors.

Location: The proposed interim zoning district would apply to all lots that are located within

the Historic Core and Historic Urban zoning districts, both residential and non-residential, the Central Business District zoning districts, the MU-1 Medium Intensity Mixed-Use zoning district, and the MU-2 High Intensity Mixed-Use

zoning district, as indicated on the official zoning maps of the City.

Description: City Council Motion M-18-195 is a request to amend Article 19 of the

Comprehensive Zoning Ordinance (CZO) to establish a new interim zoning district (IZD) to be named the *Short Term Rental Interim Zoning District*. The proposed IZD would apply to all property located in a zoning district in the Historic Core, Historic Urban, and Central Business District neighborhoods, and the MU-1 and MU-2 Districts. The proposed IZD would limit the issuance or renewal of a Temporary Short Term Rental license and the issuance of a new Commercial Short

Term Rental license on the ground floor of a multi-story building.

ZD 086/18 3

In addition to Motion M-18-195, City Council adopted Motion M-18-194 which directs the City Planning Commission (CPC) to conduct a study to analyze the existing short term rental regulations and determine if any modifications to these regulations are needed. Therefore, the purpose of the Short Term Rental Interim Zoning District request is to impose temporary prohibitions on certain types of short term rentals in certain areas while CPC studies and suggests modifications to the existing short term rental regulations.

Why is City Planning Commission action required?

The establishment of an interim zoning district constitutes an amendment of the text of the Comprehensive Zoning Ordinance. The City Planning Commission is required to make a recommendation on all amendments to the text of the Comprehensive Zoning Ordinance prior to City Council action, in accordance with Article 4, Section 4.2.D.3 Action by City Planning Commission of the Comprehensive Zoning Ordinance. In making their recommendation and decision, the City Planning Commission and the City Council are to consider the standards in Article 4, Section 4.2.E (Table 4-1: Standards for Zoning Amendments) which are addressed in this report.

II. ANALYSIS

A. What is the reason for the proposed Interim Zoning District? What purpose would the Interim Zoning District serve?

The proposed interim zoning district (IZD) is intended to impose temporary prohibitions on certain short term rental classifications in the Historic Core and Historic Urban zoning districts, both residential and non-residential, the Central Business District zoning districts, the MU-1 Medium Intensity Mixed-Use zoning district, and the MU-2 High Intensity Mixed-Use zoning district, as indicated on the official zoning maps of the City.

In particular, the IZD would prohibit the issuance or renewal of a Temporary Short Term Rental permit or license and the issuance of a Commercial Short Term Rental permit or license on the first floor of a multi-story building that can or may contain residential uses on upper floors. The IZD would be temporarily imposed while the City Planning Commission reviews the existing short term rental regulations to determine if amendments to existing laws are warranted or necessary, and if existing regulations should be modified to reduce any unintended secondary effects of short term rentals relative to the residential fabric of the City. The City Council has already directed the City Planning Commission to commence such study via M-18-194.

B. What is the zoning of the site and the surrounding areas? What is the existing land use and how are the surrounding areas used?

The IZD would affect Historic Core and Historic Urban zoning districts, both residential and non-residential, the Central Business District zoning districts, the MU-1 Medium

Intensity Mixed-Use zoning district, and the MU-2 High Intensity Mixed-Use zoning district. These districts are listed below and shown in Figure 1.

HISTORIC CORE NEIGHBORHOODS DISTRICTS

VCR-1 Vieux Carré Residential District

VCR-2 Vieux Carré Residential District

HMR-1 Historic Marigny/Tremé/Bywater Residential District

HMR-2 Historic Marigny/Tremé/Bywater Residential District

HMR-3 Historic Marigny/Tremé/Bywater Residential District

VCC-1 Vieux Carré Commercial District

VCC-2 Vieux Carré Commercial District

VCE Vieux Carré Entertainment District

VCE-1 Vieux Carré Entertainment District

VCS Vieux Carré Service District

VCS-1 Vieux Carré Service District

HMC-1 Historic Marigny/Tremé/Bywater Commercial District

HMC-2 Historic Marigny/Tremé/Bywater Commercial District

HM-MU Historic Marigny/Tremé/Bywater Mixed-Use District

VCP Vieux Carré Park District

HISTORIC URBAN NEIGHBORHOODS DISTRICTS

HU-RS Single-Family Residential District

HU-RD1 Two-Family Residential District

HU-RD2 Two-Family Residential District

HU-RM1 Multi-Family Residential District

HU-RM2 Multi-Family Residential District

HU-B1A Neighborhood Business District

HU-B1 Neighborhood Business District

HU-MU Neighborhood Mixed-Use District

CENTRAL BUSINESS DISTRICT

CBD-1 Core Central Business District

CBD-2 Historic Commercial and Mixed-Use District

CBD-3 Cultural Arts District

CBD-4 Exposition District

CBD-5 Urban Core Neighborhood Lower Intensity Mixed-Use District

CBD-6 Urban Core Neighborhood Mixed-Use District

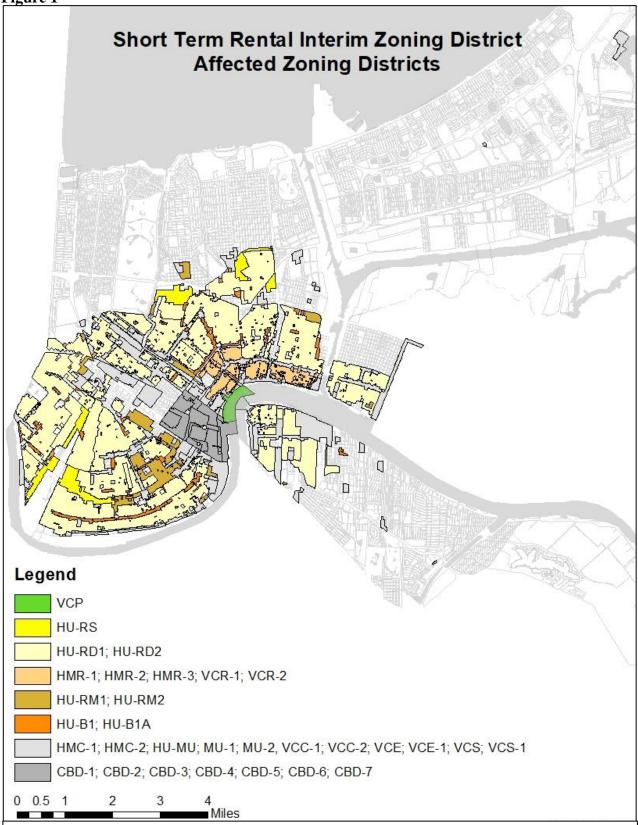
CBD-7 Bio-Science District

COMMERCIAL CENTER AND INSTITUTIONAL CAMPUS DISTRICTS

MU-1 Medium Intensity Mixed-Use District

MU-2 High Intensity Mixed-Use District

Figure 1



DISCLAIMER: This map was created by The City of New Orleans; City Planning Commission from The City of New Orleans Enterprise Geodatabase and was compiled from the most authentic information available. This product is for informational purposes and may not have been prepared for, or be suitable for legal, engineering, or surveying purposes. The City is not responsible for any errors or omissions contained herein.

C. What is the existing language of the Comprehensive Zoning Ordinance?

The proposed amendment would effectively modify the permitted and conditional use tables of **Article 10** Historic Core Neighborhood Districts, **Article 12** Historic Urban Neighborhoods Non-Residential Districts, **Article 15** Commercial Center & Institutional Campus Districts, and **Article 17** Central Business Districts. The restriction on temporary short term rentals would modify **Article 21**, **Section 21.8.C** of the Comprehensive Zoning Ordinance:

Article 10, Section 10.2.A - Permitted and Conditional Uses

Table 10-1: Permitted and Conditional Uses											
USE¹	VCC-	VCC-	VCE	VCE-	vcs	VCS-		HMC- 1	HMC- 2		USE STANDARDS
RESIDENTIAL USE											
Short Term Rental, Commercial			P					Р	Р	Р	Section 20.3.LLL

Article 12, Section 12.2.A – Permitted and Conditional Uses

Table 12-1: Permitted and Conditional									
		DISTRICT	USE STANDARDS						
USE ¹	HU-B1A	A HU-B1 HU-MU							
RESIDENTIAL USE									
Short Term Rental, Commercial	С	P, C ⁹	P, C ⁹	Section 20.3.LLL					

⁹ Permitted Commercial Short Term rentals are limited to two (2) on one property; any Commercial STR use greater than two is a conditional use.

Article 15, Section 15.2.A – Permitted and Conditional Uses

Table 15-1: Permitted and Conditional Uses										
	DISTRICTS									
USES ¹	C-1	C-2	C-3	MU- 1	MU- 2	EC ³	МС	MS	LS	USE STANDARDS
RESIDENTIAL USE										
Short Term Rental, Commercial	P	P	P	P	P	Р	P		P	Section 20.3.LLL

Article 17, Section 17.3.A – Permitted and Conditional Uses

Table 17-1: Permitted and Conditional Uses										
USE¹	CBD-1	CBD-2	CBD-	CBD-4	CBD-5	CBD-	CBD-	USE STANDARDS		
RESIDENTIAL USE										
Short Term Rental, Commercial	Р	Р	Р	Р	Р	Р	Р	Section 20.3.LLL		

Article 21, Section 21.8.C - Permitted Temporary Uses

Table 21-3: Permitted Temporary Uses **PERMITTED TEMPORARY HOURS OF TEMPORARY USE** USE DISTRICT TIMEFRAME OPERATIONS **STANDARDS Short Term Rental**, Any Zoning Rentals shall Section 21.8.C.14 District Temporary be limited to a where maximum of dwelling ninety (90) units are days per year, permitted except in the Vieux Carre, the area generally bounded by: Iberville Street, N. Rampart Street, Esplanade Avenue, and the Mississippi River, where **Temporary Short Term** rentals shall be prohibited.

Article 21, 21.8.C.14 - Short Term Rental, Temporary 21.8.C.14.a Short Term Rental General Standards

- 1. In addition to the use standards below, all short term rentals shall comply with the regulations of the Department of Safety and Permits and the Department of Finance, Bureau of Revenue.
- 2. All short term rentals shall require a license.
- 3. The license shall be prominently displayed on the front facade of the property in a location clearly visible from the street during all periods of occupancy and contain the license number, the contact information for the owner or in-town property manager, the license type (Temporary, Accessory, or Commercial) and the bedroom and occupancy limit.
- 4. Short term rentals shall not be operated outdoors, in an accessory structure, or in a recreational vehicle.
- 5. Only one party of guests shall be permitted per short term rental unit.
- 6. The short term rental shall appear outwardly to be a residential dwelling.
- 7. For temporary short term rentals, there shall be an in-town property manager available at all times if the owner or operator is out of town during the time of the rental.
- 8. Use of the short term rentals for commercial or social events shall be prohibited.
- 9. The short term rental shall not adversely affect the residential character of the neighborhood.
- 10. The short term rental shall not generate noise, vibration, glare, odors, or other effects that unreasonably interfere with any person's enjoyment of his or her residence.
- 11. If renter occupied and operated, proof of the property owner's consent and signature on the license application shall be required.
- 12. If renter occupied, the operator shall provide a current rental lease.

21.8.C.14.b Short Term Rental, Temporary Standards

- 1. A short term rental license shall be secured prior to operation; and short term rental operators shall comply with all applicable license requirements provided in the Code of the City of New Orleans.
- 2. Rentals shall be limited to a maximum of ninety (90) days per year, except in the Vieux Carre, the area generally bounded by: Iberville Street, N. Rampart Street, Esplanade Avenue, and the Mississippi River, where Temporary Short Term rentals shall be prohibited.
- 3. Up to five (5) bedrooms may be rented to guests.
- 4. Occupancy shall be limited to two (2) guests per bedroom or ten (10) guests, whichever is less
- 5. The entire dwelling can be rented and the permanent resident is not required to be present during the party's stay.
- 6. No signs are allowed for a Temporary Short Term Rental.

D. What is the proposed language for the Interim Zoning District in the City Council Motion?

Article 19, Section 19.3.C of the CZO requires that the ordinance establishing the interim zoning district incorporate regulations addressing the following factors:

- a. Intent of the interim zoning district;
- b. Delineation of interim district boundaries;
- c. Uses permitted;
- d. Limitations on uses;

ZD 086/18 9

- e. Land use intensity, yard, lot area, and similar requirements;
- f. Special provisions necessary to the accomplishment of the intended intent and purpose of the district (i.e. landscaping requirements, site plan review, etc.);
- g. Submittal requirements, if any; and
- h. Appeal procedure

Intent of the interim zoning district

The intent of the interim zoning district is to temporarily prohibit the issuance or renewal of certain types of Short Term Rental permit or licenses while the City Planning Commission studies the impact and considers revisions to the existing regulations. Motion M-18-195 provides further clarification on the intent of the interim zoning district:

- The Council of the City of New Orleans has adopted a series of ordinances to define, categorize, and regulate Short Term Rentals (STR), which became effective April 1, 2017; and
- Over a year has passed since these initial regulations have become effective, providing sufficient data to analyze STR laws to determine community impact; and
- This Council, pursuant to M-18-194, has directed the City Planning Commission (CPC) to further study the impact of STRs, utilizing the City's existing regulations and STR data, to determine if amendments to existing laws are warranted or necessary, and if existing regulations should be modified to reduce any unintended secondary effects of STRs relative to the residential fabric of the City; and
- In light of this pending study and review, the Council desires temporary zoning regulations within specified boundaries that impose temporary prohibitions on certain short term rental classifications to protect the public health, safety, or welfare for a temporary period, while this study is underway.

Delineation of interim district boundaries

The proposed interim zoning would include the Historic Core and Historic Urban zoning districts, both residential and non-residential, the Central Business District zoning districts, the MU-1 Medium Intensity Mixed-Use zoning district, and the MU-2 High Intensity Mixed-Use zoning district, listed below:

HISTORIC CORE NEIGHBORHOODS DISTRICTS

VCR-1 Vieux Carré Residential District

VCR-2 Vieux Carré Residential District

HMR-1 Historic Marigny/Tremé/Bywater Residential District

HMR-2 Historic Marigny/Tremé/Bywater Residential District

HMR-3 Historic Marigny/Tremé/Bywater Residential District

VCC-1 Vieux Carré Commercial District

VCC-2 Vieux Carré Commercial District

VCE Vieux Carré Entertainment District

VCE-1 Vieux Carré Entertainment District

VCS Vieux Carré Service District

VCS-1 Vieux Carré Service District

HMC-1 Historic Marigny/Tremé/Bywater Commercial District

HMC-2 Historic Marigny/Tremé/Bywater Commercial District HM-MU Historic Marigny/Tremé/Bywater Mixed-Use District VCP Vieux Carré Park District

HISTORIC URBAN NEIGHBORHOODS DISTRICTS

HU-RS Single-Family Residential District

HU-RD1 Two-Family Residential District

HU-RD2 Two-Family Residential District

HU-RM1 Multi-Family Residential District

HU-RM2 Multi-Family Residential District

HU-B1A Neighborhood Business District

HU-B1 Neighborhood Business District

HU-MU Neighborhood Mixed-Use District

CENTRAL BUSINESS DISTRICT

CBD-1 Core Central Business District

CBD-2 Historic Commercial and Mixed-Use District

CBD-3 Cultural Arts District

CBD-4 Exposition District

CBD-5 Urban Core Neighborhood Lower Intensity Mixed-Use District

CBD-6 Urban Core Neighborhood Mixed-Use District

CBD-7 Bio-Science District

COMMERCIAL CENTER AND INSTITUTIONAL CAMPUS DISTRICTS

MU-1 Medium Intensity Mixed-Use District

MU-2 High Intensity Mixed-Use District

Uses permitted and limitations on uses

The interim zoning district would prohibit the issuance or renewal of any temporary short term rental permits or licenses in the specified districts. In addition the issuance of commercial short term rental permits or licenses would be prohibited on the first floor of a multi-story building that can or may contain residential uses on upper floors.

Land use intensity, yard, lot area, and similar requirements

The regulations pertaining to land use intensity, lot dimensions, yard, height, bulk, and other related requirements in the interim zoning district would be those imposed by the base zoning district.

Special provisions necessary to the accomplishment of the intended intent and purpose of the district (i.e. landscaping requirements, site plan review, etc.)

There were no special provisions identified as a part of this Interim Zoning District.

Submittal requirements

The Council motion did not specify any particular submittal requirements for IZD applications.

Appeal procedure

The Council Motion states that appeals shall be submitted to the Executive Director of the City Planning Commission, whose staff shall review and make recommendations relative to the appeal within sixty (60) days of receipt, utilizing the following review standards:

- 1. Is the requested appeal compatible with the surrounding land uses and structures?
- 2. Does the requested appeal provide for an efficient use of land?
- 3. Will granting the requested appeal increase traffic and safety hazards?
- 4. Does the requested appeal provide for an efficient parking layout?
- 5. Will the requested appeal increase community environmental impacts?

The Council shall have sixty (60) days from receipt of recommendation to approve, deny, or modify the appeal recommendation by motion.

Proposed language for the interim zoning district

Based upon the review of the language included in the City Council Motion M-18-195, the staff suggests the following language for the CZO based on the review of the factors above:

Article 19, Section 19.4.A.1.g Short Term Rental Interim Zoning District

- A. Intent. The intent of the Short Term Rental Interim Zoning District is to temporarily prohibit the issuance or renewal of certain types of Short Term Rental permits or licenses while the City Planning Commission studies the impact and considers revisions to the existing Short Term Rental regulations.
- B. Boundaries. The Short Term Rental Interim Zoning District applies to the Historic Core and Historic Urban zoning districts, both residential and non-residential, the Central Business District zoning districts, the MU-1 Medium Intensity Mixed-Use zoning district, and the MU-2 High Intensity Mixed-Use zoning district.
- C. Limitation on Uses. The Short Term Rental Interim Zoning District prohibits:
 - <u>a.</u> Any issuance or renewal of a Temporary Short Term Rental permit or license, effectively modifying Article 21, Section 21.8.C.
 - b. Any issuance of a Commercial Short Term Rental permit or license for STR-use on the first floor of a multi-story building that can or may contain residential uses on subsequent floors, effectively modifying Article 10, Section 10.2.A Permitted and Conditional Uses, Article 12, Section 12.2.A Permitted and Conditional Uses, Article 15, Section 15.2.A Permitted and Conditional Uses, and Article 17, Section 17.3.A Permitted and Conditional Uses.
- D. Appeal Procedure. Appeals shall be submitted to the Executive Director of the City Planning Commission, whose staff shall review and make recommendations relative to the appeal within sixty (60) days of receipt, utilizing the following

review standards:

- <u>a.</u> <u>Is the requested appeal compatible with the surrounding land uses and structures?</u>
- b. Does the requested appeal provide for an efficient use of land?
- c. Will granting the requested appeal increase traffic and safety hazards?
- d. Does the requested appeal provide for an efficient parking layout?
- e. Will the requested appeal increase community environmental impacts?

The Council shall have sixty (60) days from receipt of recommendation to approve, deny, or modify the appeal recommendation by motion.

E. Does the action proposed in the City Council Motion adequately answer the problem that is being addressed; if not, is any modification necessary?

Are modifications necessary?

The City Council Motion provides the majority of the regulations of an interim zoning district that are required by **Article 19, Section 19.3.C.**, including intent, boundaries, limitation on uses, and appeal procedure. The motion did not include specific submittal standards, so the staff recommends including language regarding the submittal requirements for an appeal application:

• Submittal Requirements. Every appeal shall be made on the forms provided by the City, and shall be accompanied by the payment of the appropriate filing fee, and the data required in such form. The completeness of appeal application shall be determined and the appellant or applicant shall be appropriately notified in accordance with **Article 3**, **Section 3.2.B**. of the Comprehensive Zoning Ordinance. The Executive Director of the City Planning Commission may request from the appellant or applicant such additional information and data as may be required to fully advise the Commission, whether such information and data is called for by the official forms or not.

The staff also believes there is further clarification needed regarding the restriction on commercial short term rentals. The text of Council Motion M-18-195 states the issuance of commercial licenses is prohibited "for STR-use on the first floor of a multi-story building that can or may contain residential uses on subsequent floors". This language is not clear on whether the commercial restriction applies to buildings that are single- or two-family dwellings, smaller multi-family buildings, or non-residential buildings. This leaves the applicability of the IZD up to interpretation by the Department of Safety and Permits on a case-by-case basis.

The Department of Safety and Permits is currently interpreting the language of Council Motion M-18-195 based on the number of dwelling units in the structure or the type of structure:

- Does not apply to buildings that are single- or two-family dwellings
- Applies to buildings with 3 or more residential units.
- Applies to buildings that contain non-residential uses.

The staff recommends clarifying the text to make it clear that the IZD does not apply to **ZD 086/18**

single- or two-family dwellings and applies to the ground floor but not upper floors, of multi-story, multi-family or mixed-use buildings. The staff recommends updating the IZD limitations on uses to make it clear which structures are subject to these restrictions. Therefore, the staff recommends the following change to the limitation on use for Commercial Short Term Rentals:

Any issuance of a Commercial Short Term Rental permit or license for STR-use on the
first floor of a multi-story, multi-family, non-residential, or mixed-use building, with
the exception of single-family dwelling and two-family dwellings, effectively
modifying Article 10, Section 10.2.A - Permitted and Conditional Uses, Article 12,
Section 12.2.A - Permitted and Conditional Uses, Article 15, Section 15.2.A Permitted and Conditional Uses, and Article 17, Section 17.3.A - Permitted and
Conditional Uses

Suggested language

The staff found that some language from the proposed IZD text needs to be clarified. Therefore, the staff recommends the following revised language:

Article 19, Section 19.4.A.1.g Short Term Rental Interim Zoning District

- A. Intent. The intent of the Short Term Rental Interim Zoning District is to temporarily prohibit the issuance or renewal of certain types of Short Term Rental permits or licenses while the City Planning Commission studies the impact and considers revisions to the existing Short Term Rental regulations.
- B. Boundaries. The Short Term Rental Interim Zoning District applies to the Historic Core and Historic Urban zoning districts, both residential and non-residential, the Central Business District zoning districts, the MU-1 Medium Intensity Mixed-Use District, and the MU-2 High Intensity Mixed-Use District.
- C. Limitation on Uses. The Short Term Rental Interim Zoning District prohibits:
 - <u>a.</u> Any issuance or renewal of a Temporary Short Term Rental permit or license, effectively modifying Article 21, Section 21.8.C.
 - b. Any issuance of a Commercial Short Term Rental permit or license for STR-use on the first floor of a multi-story, multi-family, non-residential, or mixed-use building, with the exception of single-family dwelling and two-family dwellings, effectively modifying Article 10, Section 10.2.A Permitted and Conditional Uses, Article 12, Section 12.2.A Permitted and Conditional Uses, and Article 17, Section 17.3.A Permitted and Conditional Uses.
- D. Submittal Requirements. Every appeal shall be made on the forms provided by the City, and shall be accompanied by the payment of the appropriate filing fee, and the data required in such form. The completeness of appeal application shall be determined and the appellant or applicant shall be appropriately notified in accordance with Article 3, Section 3.2.B. of the Comprehensive Zoning Ordinance. The Executive Director of the City Planning Commission may request from the appellant or applicant such additional information and data as may be required to fully advise the Commission, whether such information and data is

called for by the official forms or not.

- E. Appeal Procedure. Appeals shall be submitted to the Executive Director of the City Planning Commission, whose staff shall review and make recommendations relative to the appeal within sixty (60) days of receipt, utilizing the following review standards:
 - <u>a.</u> <u>Is the requested appeal compatible with the surrounding land uses and structures?</u>
 - b. Does the requested appeal provide for an efficient use of land?
 - c. Will granting the requested appeal increase traffic and safety hazards?
 - d. Does the requested appeal provide for an efficient parking layout?
 - e. Will the requested appeal increase community environmental impacts?

The Council shall have sixty (60) days from receipt of recommendation to approve, deny, or modify the appeal recommendation by motion.

F. Compliance with approval standards

The City Planning Commission recommendation and the City Council decision on any zoning text amendment are matters of legislative discretion. In making their recommendation and decision, the City Planning Commission and the City Council are required to consider the standards per **Article 4**, **Section 4.2.E** (**Table 4-1: Standards for Zoning Amendments**) of the CZO. In this section, the staff evaluates the application using those standards.

The proposed amendment is compatible with the Master Plan and Future Land Use Map.

This standard is met. The proposal is consistent with the *Plan for the 21st Century*, commonly known as the Master Plan. This request involves short term rentals in the 32 zoning districts listed above, and those districts are consistent with the following Future Land Use Map (FLUM) categories according to "Chapter 13: Land Use Plan" of the Master Plan and the consistency table in the Appendix A of the Comprehensive Zoning Ordinance. The sixteen applicable FLUM districts are listed below:

- Residential Historic Core
- Residential Pre-War Single-Family
- Residential Pre-War Low Density
- Residential Pre-War Medium Density
- Residential Pre-War Multi-Family
- Neighborhood Commercial
- Downtown Exposition
- Business Center
- Mixed-Use Historic Core
- Mixed-Use Low Density
- Mixed-Use Medium Density
- Mixed-Use High Density
- Mixed-Use Downtown

- Mixed-Use Downtown Core Neighborhood
- Mixed-Use Health/Life Sciences Neighborhood
- Institutional

A land use action is considered consistent with the Master Plan if it furthers, or at least does not interfere with, the goals, policies, and strategies that are contained in the Land Use chapter of the Master Plan. Short term rentals are not specifically referenced in the range of uses in any of these FLUM designations. In previous Master Plan consistency analyses, the staff has found that Commercial and Temporary Short Term Rentals are consistent with the applicable FLUM designations. This text amendment request would temporarily prohibit these two short term rental types, so the request would not grant any additional use permissions beyond what these FLUM designations allow. Given that short term rentals are not addressed by these Master Plan designations and this request would temporarily limit two short term rental types, the staff finds that this request is consistent with the Master Plan.

The proposed amendment is compatible with the place designations of this Ordinance.

This standard is met. This request would impact short term rentals that are located in zoning districts in the following place designations:

- Historic Core Neighborhoods Residential Districts,
- Historic Core Neighborhoods Non-Residential Districts,
- Historic Urban Neighborhoods Residential Districts,
- Historic Urban Neighborhoods Non-Residential Districts,
- Commercial Center & Institutional Campus Districts, and
- Central Business Districts.

These place designations indicate the general uses and development pattern that is allowed in these different part of the City. Commercial and Temporary Short Term Rentals have previously been found to be consistent with these place designations. This request would temporary limit these types of short term rentals while long-term modifications to these regulations are being studied. This temporary modification to the short term rental use permissions is compatible with general purpose of these place designations.

The proposed amendment promotes the public health, safety and welfare of the City.

This standard is met. This request would temporarily limit the issuance of certain Commercial Short Term Rental licenses and the issuance or renewal of Temporary Short Term Rental licenses in the applicable districts. Since the purpose of this Interim Zoning District is to limit some short term rentals temporarily while the impact of the existing regulations are evaluated to ensure that the regulations promote health, safety, and welfare, this standard is met.

¹ These include the 2015 Short Term Rental Study, Zoning Docket 061/16, and Zoning Docket 004/18.

The proposed amendment is compatible with the intent and general regulations of this Ordinance.

This standard is met. The purpose of the temporary prohibitions in **Article 19** of the Comprehensive Zoning Ordinance is to provide temporary zoning regulations pending a review of those regulations. The City Planning Commission is currently studying the short term rental regulations at the direction of City Council Motion M-18-194. Therefore, the proposed interim zoning district is compatible with the intent and general regulations of the CZO.

The proposed amendment corrects an error or omission, adds clarification to existing requirements, or reflects a change in policy.

This standard is met. The proposed IZD would temporarily prohibit the issuance of certain Commercial Short Term Rental licenses and the issuance or renewal of Temporary Short Term Rental licenses. This request was made by the new City Council, who have also directed the City Planning Commission to consider long-term policy changes around the regulation of short term rentals. Therefore, this standard is met.

The proposed amendment benefits the citizens of the City as a whole.

This standard is met. The IZD would temporarily limit certain short term rentals in the applicable zoning districts. This request will certainly benefit some neighbors while causing a disruption to certain short term rental investors. Since the IZD is a preliminary step in process with the intent to improve the existing short term rental regulations, this request would benefit the City as a whole.

The proposed amendment provides a more workable way to achieve the intent and purposes of this Ordinance and the Master Plan.

This standard is met. The purpose of this interim zoning district is to put temporary prohibitions in place while the City Planning Commission considers long-term modifications to the existing short term rental regulations. Since the long-term changes to the regulations should provide a more workable way to achieve the intent and purpose of the Comprehensive Zoning Ordinance and Master Plan, this standard is met.

The proposed amendment does not create a significant number of nonconformities.

This standard is met. The requested IZD would temporarily limit the issuance and renewal of Temporary Short Term Rental licenses. The Temporary Short Term Rental regulations were designed to allow for limited short term rental use as a temporary use, up to 90 days per year, in what is primarily a residential dwelling unit. If Temporary Short Term Rentals are eliminated, it would not create any nonconformities because temporary uses cannot become legal nonconformities since the primary use is a dwelling unit and not a short term rental.

With Commercial Short Term Rentals, the short term rental is the primary use. The IZD would temporarily limit the issuance of certain new Commercial Short Term Rental licenses, which would allow the existing Commercial Short Term Rentals that are subject to the IZD to continue operating as nonconforming uses. However, the IZD text as proposed would not apply to many existing Commercial Short Term Rentals. In addition, Interim Zoning Districts by their definition are temporary, so any nonconforming uses created by this IZD would only be in place for the 9 month term of the IZD² or until new, long-term changes to the short term rental regulations are put in place. Therefore, the proposed IZD would not create any permanent nonconformities, and this standard is met.

III. SUMMARY

Zoning Docket 086/18 is a request to establish a new interim zoning district (IZD) to be named the *Short Term Rental Interim Zoning District*. The IZD would apply to those areas currently zoned Historic Core and Historic Urban zoning districts, both residential and non-residential, the Central Business District zoning districts, the MU-1 Medium Intensity Mixed-Use zoning district, and the MU-2 High Intensity Mixed-Use zoning district, as indicated on the official zoning maps of the City. The proposed IZD is intended to temporarily prohibit the issuance or renewal of Temporary Short Term Rental licenses and any issuance of a Commercial Short Term Rental licenses for STR-use on the first floor of a multi-story building with residential uses above the ground-floor. The IZD would be temporarily imposed while the City Planning Commission reviews the existing short term rental regulations to determine if amendments to existing laws are warranted or necessary, and if existing regulations should be modified to reduce any unintended secondary effects of short term rentals relative to the residential fabric of the City.

The purpose of interim zoning districts is to impose temporary probations pending a review of those regulations. In this case, issuance of some Temporary and Commercial Short Term Rentals would be prohibited while CPC studies and suggests modifications to the short term rental regulations. The staff believes the proposed Interim Zoning District achieves this intent. The staff does recommend some modifications to the proposed IZD text to include appeal application submittal requirements and to clarify the applicability of the limitations on uses for Commercial Short Term Rentals. The staff finds that subject to these modifications, the request meets the approval standards of **Article 4**, **Section 4.2.E Approval Standards** for text amendments and supports the request.

IV. PRELIMINARY STAFF RECOMMENDATION³

The staff recommends **MODIFIED APPROVAL** of Zoning Docket 086/18 with the following zoning text change. New language is indicated by **underlined, bold** text. Deleted language is indicated by **strikethrough** text.

Article 19, Section 19.4.A.1.g Short Term Rental Interim Zoning District

² Subject to two, six month renewals.

³ Subject to modification by the City Planning Commission

- A. Intent. The intent of the Short Term Rental Interim Zoning District is to temporarily prohibit the issuance or renewal of certain types of Short Term Rental permits or licenses while the City Planning Commission studies the impact and considers revisions to the existing Short Term Rental regulations.
- B. Boundaries. The Short Term Rental Interim Zoning District applies to the Historic Core and Historic Urban zoning districts, both residential and non-residential, the Central Business District zoning districts, the MU-1 Medium Intensity Mixed-Use District, and the MU-2 High Intensity Mixed-Use District.
- C. Limitation on Uses. The Short Term Rental Interim Zoning District prohibits:
 - <u>a.</u> Any issuance or renewal of a Temporary Short Term Rental permit or license, effectively modifying Article 21, Section 21.8.C.
 - b. Any issuance of a Commercial Short Term Rental permit or license for STR-use on the first floor of a multi-story, multi-family, non-residential, or mixed-use building, with the exception of single-family dwelling and two-family dwellings, effectively modifying Article 10, Section 10.2.A Permitted and Conditional Uses, Article 12, Section 12.2.A Permitted and Conditional Uses, Article 15, Section 15.2.A Permitted and Conditional Uses, and Article 17, Section 17.3.A Permitted and Conditional Uses.
- D. Submittal Requirements. Every appeal shall be made on the forms provided by the City, and shall be accompanied by the payment of the appropriate filing fee, and the data required in such form. The completeness of appeal application shall be determined and the appellant or applicant shall be appropriately notified in accordance with Article 3, Section 3.2.B. of the Comprehensive Zoning Ordinance. The Executive Director of the City Planning Commission may request from the appellant or applicant such additional information and data as may be required to fully advise the Commission, whether such information and data is called for by the official forms or not.
- E. Appeal Procedure. Appeals shall be submitted to the Executive Director of the City Planning Commission, whose staff shall review and make recommendations relative to the appeal within sixty (60) days of receipt, utilizing the following review standards:
 - <u>a.</u> <u>Is the requested appeal compatible with the surrounding land uses and structures?</u>
 - b. Does the requested appeal provide for an efficient use of land?
 - c. Will granting the requested appeal increase traffic and safety hazards?
 - d. Does the requested appeal provide for an efficient parking layout?
 - e. Will the requested appeal increase community environmental impacts?

The Council shall have sixty (60) days from receipt of recommendation to approve, deny, or modify the appeal recommendation by motion.

V. REASONS FOR RECOMMENDATION

1. The request would temporarily prohibit issuance and/or renewal of some short term rentals in certain locations while the City Planning Commission studies and recommends modifications to the existing short term rental regulations.

2. The request is consistent with the intent of Interim Zoning District regulations and meets the text amendment approval standards in **Article 4**, **Section 4.2.E** of the CZO.

ZD 086/18 20